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ATTORNEY GENERAL

NEWS RELEASE

ATTORNEY GENERAL LAUTENSCHLAGER WARNS CONSUMERS ABOUT HURRICANE KATRINA CHARITY SCAMS

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Madison - In the aftermath of Hurricane Katrina, Wisconsin Attorney General Peg Lautenschlager is encouraging Wisconsin citizens wanting to help victims to know exactly with whom they are making charitable donations -- and to be wary of the potential for fraud.

"The legitimate organizations Wisconsin citizens give money to are doing a wonderful job assisting Hurricane Katrina victims, but unfortunately there are a few bad actors out there ready to exploit our generosity," Lautenschlager said. "Citizens should be wary, check out charitable organizations' track records, and understand that scams do happen in the wake of these tragedies."

Lautenschlager said prior disasters such as 9/11 and the Indonesian tsunami have illustrated the need for caution in making contributions. In such disasters, unscrupulous individuals have tried to exploit the generosity of caring citizens who want to help victims. These scam artists falsely claim that donations will go to help displaced victims -- but then keep the proceeds for themselves.

The FBI recently announced that there are over 2,300 websites using the Katrina disaster as a means to raise money and 60 percent of those are based in foreign countries. Many of these are believed by the FBI to be bogus.

Examples include the recent reports of "phishing" e-mails that have imbedded links redirecting recipients to counterfeit Red Cross websites. In the donor section of these sites, recipients are directed to enter financial information to donate online, but the personal and financial information is instead sent to scammers in foreign countries.

These con artists not only steal the contributions but they also retain the donors' personal information, with which they might be able to commit identity theft crimes. Consumers should simply delete unsolicited e-mails with charitable appeals and never give out financial and personal information under suspicious circumstances.

Certain scam artists also register domain names with key words they think will steer people to their sites, like hurricanerelief.com. It only costs about \$20 a year to register a domain name. Many fraudulent sites such as KatrinaHelp.com, katrinaFamilies.com and NewOrleansCharities.com began turning up soon after the hurricane.

Telephone calls are being made to request charitable pledges for Katrina as well.

Unsolicited telephone calls for any charity should cause a consumer to be wary and ask specific questions. In high profile disasters, criminals are known to make such phone solicitations as a way to raise easy money. Donors should also be cautious about telephone appeals from professional fundraisers, because some fundraising firms keep most of the money they raise and give only a small percentage of the funds to charity. Individuals should instead send their donations directly to a trusted charity, as this helps maximize the amount of funds available to assist the victims of disaster.

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